



Parking Excise: A multi-faceted solution

A local parking tax would allow Boston to capture benefits directly from the congestion created by commuting to the City by vehicle. The City is proposing a 10% local tax on off-street commercial parking longer than two hours. It is estimated that a 10% parking tax could have raised as much as \$28 million for Boston in FY2008.

Negligible Effect on Industry

- EPA parking restrictions on the number of parking spaces allowed in the downtown serve to limit competition and increase prices. Continued development of downtown parcels serves to limit future parking opportunities while increasing demand. Given the industry's pricing it is likely that not all of the tax would be passed on to consumers.

Environmentally Beneficial and Cost Saving

- A parking tax would further discourage commuting by vehicle, creating less congestion and pollution. Lower congestion reduces idling time in traffic, wear on city streets, and requires less traffic enforcement.

A Common Urban Tax

Parking Excise Taxes of Comparable U.S. Cities

	Hourly	Daily	Weekly	Monthly
Baltimore	ND	12%	ND	\$15
Chicago*	<\$2*	\$2	\$10	\$40
Pittsburgh	38%	38%	38%	38%
San Francisco	25%	25%	25%	25%
Miami	20%	20%	20%	20%
New York**	18%	18%	18%	18%
Philadelphia	15%	15%	15%	15%
Washington D.C.	12%	12%	12%	12%
New Orleans	3%	3%	3%	3%
Cleveland	8%	8%	8%	8%
Boston (PROPOSED)	>2 hrs. 10%	10%	10%	10%

*"...for the privilege of parking for a 24 hour period or less shall be \$0.75, if the charge or fee is greater than \$2.00 but less than \$5.00; \$1.50 if the charge or fee is \$5.00 or more but less than \$12.00; and \$2.00 if the charge or fee is \$12.00 or more

**10.375% for residents with rented long-term parking and with filed exemption request

ND=No Data

Consumer Impact Minor, Borne by Non-Residents

- Only commercial, off-street parking would be subject to the tax.
- The proposed legislation allows for a 2 hour grace period before the tax is applied.
- The tax can be suspended during emergencies or events.